

FOR WIRE TRANSMISSION 10:00 A.M. ET, Friday, November 12, 2004

CB-04-198

## **MANUFACTURING AND TRADE INVENTORIES AND SALES** **September 2004**

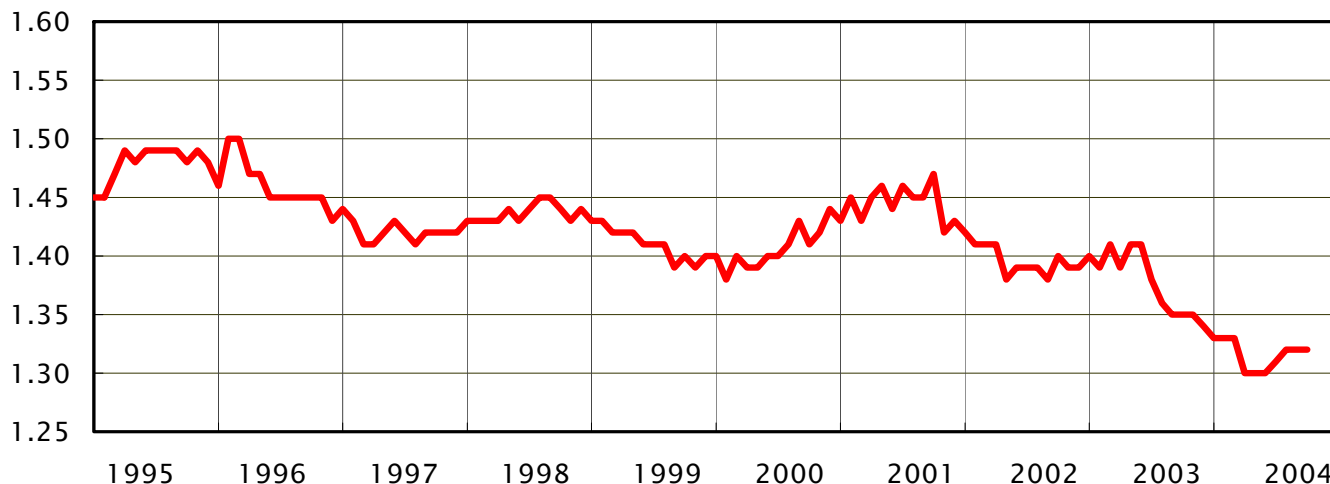
**Sales.** The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments for September, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$956.8 billion, up 0.3 percent ( $\pm 0.2\%$ ) from August and up 10.4 percent ( $\pm 0.3\%$ ) from September 2003.

**Inventories.** Manufacturers' and trade inventories adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,258.3 billion, up 0.1 percent ( $\pm 0.1\%$ ) from August and up 7.3 percent ( $\pm 2.2\%$ ) from September 2003.

**Inventories/Sales Ratio.** The total business inventories/sales ratio based on seasonally adjusted data at the end of September was 1.32. The September 2003 ratio was 1.35.

### **Total Business Inventories/Sales Ratios: 1995 to 2004**

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



**The Manufacturing and Trade Inventories and Sales Report for October is scheduled for release December 13, 2004 at 10:00 a.m.** Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Chris Savage (301) 763-4834 (Manufacturing), or Nancy Piesto (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: [retail.trade@census.gov](mailto:retail.trade@census.gov).

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. September data was released November 3 for Manufacturers and November 9 for merchant wholesalers. The data are also available the day of issue on the Internet- <http://www.census.gov/bussales> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

**Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers**  
(In millions of dollars)

	Sales			Inventories <sup>1</sup>			Inventories/Sales Ratios		
	Sep. 2004	Aug. 2004	Sep. 2003	Sep. 2004	Aug. 2004	Sep. 2003	Sep. 2004	Aug. 2004	Sep. 2003
	(p)	(r)	(s)	(p)	(r)	(s)			
<b>Adjusted<sup>2</sup></b>									
Total business.....	956,759	954,299	866,568	1,258,330	1,257,121	1,172,959	1.32	1.32	1.35
Manufacturers <sup>3</sup> .....	371,302	375,537	337,598	463,262	461,975	438,294	1.25	1.23	1.30
Retailers.....	308,606	303,549	287,172	475,767	477,465	443,857	1.54	1.57	1.55
Merchant wholesalers.....	276,851	275,213	241,798	319,301	317,681	290,808	1.15	1.15	1.20
<b>Not Adjusted</b>									
Total business.....	974,703	975,107	882,718	1,251,499	1,240,942	1,166,550	1.28	1.27	1.32
Manufacturers <sup>3</sup> .....	392,524	382,018	357,911	463,958	465,926	438,210	1.18	1.22	1.22
Retailers.....	300,120	311,388	277,707	470,643	460,929	440,297	1.57	1.48	1.59
Merchant wholesalers.....	282,059	281,701	247,100	316,898	314,087	288,043	1.12	1.11	1.17

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

**Table 2. Percent Changes for Sales and Inventories — Manufacturers, Retailers, and Merchant Wholesalers**

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Sep. 04/ Aug. 04	Aug. 04/ Jul. 04	Sep. 04/ Sep. 03	Sep. 04/ Aug. 04	Aug. 04/ Jul. 04	Sep. 04/ Sep. 03	Sep. 04/ Aug. 04	Aug. 04/ Jul. 04	Sep. 04/ Sep. 03	Sep. 04/ Aug. 04	Aug. 04/ Jul. 04	Sep. 04/ Sep. 03
Total business.....	0.3	0.6	10.4	0.1	0.7	7.3	0.0	5.3	10.4	0.9	0.6	7.3
Manufacturers.....	-1.1	0.9	10.0	0.3	0.7	5.7	2.8	10.9	9.7	-0.4	1.0	5.9
Retailers.....	1.7	-0.3	7.5	-0.4	0.5	7.2	-3.6	-0.2	8.1	2.1	0.4	6.9
Merchant wholesalers..	0.6	1.0	14.5	0.5	1.1	9.8	0.1	4.5	14.1	0.9	0.3	10.0

**Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business**  
(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories <sup>1</sup>			Percent Change In Inventories			Inventories/Sales Ratios		
		Sep. 2004 (p)	Aug. 2004 (r)	Sep. 2003 (s)	Sep. 2004 (p)	Aug. 2004 (r)	Sep. 2003 (s)	Sep. 04/ Aug. 04	Aug. 04/ Jul. 04	Sep. 04/ Sep. 03	Sep. 04	Aug. 04	Sep. 03
	Adjusted <sup>2</sup>												
	Retail trade, total.....	308,606	303,549	287,172	475,767	477,465	443,857	-0.4	0.5	7.2	1.54	1.57	1.55
	Total (excl. motor veh. & parts).....	228,843	227,073	212,346	309,706	309,148	295,667	0.2	0.4	4.7	1.35	1.36	1.39
441	Motor vehicle & parts dealers.....	79,763	76,476	74,826	166,061	168,317	148,190	-1.3	0.5	12.1	2.08	2.20	1.98
442,3	Furniture,home furn., elect. & appl. stores...	17,264	17,187	16,498	28,148	28,261	26,390	-0.4	0.7	6.7	1.63	1.64	1.60
444	Building materials, garden equip & supplies...	31,199	30,874	27,516	52,684	52,596	46,468	0.2	0.7	13.4	1.69	1.70	1.69
445	Food & beverage stores.....	44,411	44,126	42,614	35,400	35,497	34,997	-0.3	-0.2	1.2	0.80	0.80	0.82
448	Clothing & clothing access. stores.....	15,686	15,531	15,143	37,503	37,546	37,198	-0.1	0.7	0.8	2.39	2.42	2.46
452	General merchandise stores.....	42,340	41,813	40,025	69,616	69,462	66,868	0.2	0.5	4.1	1.64	1.66	1.67
4521	Dept. strs. (excl. leased depts.).....	17,771	17,603	17,973	36,876	37,038	37,863	-0.4	-0.1	-2.6	2.08	2.10	2.11
	Not Adjusted												
	Retail trade, total.....	300,120	311,388	277,707	470,643	460,929	440,297	2.1	0.4	6.9	1.57	1.48	1.59
	Total (excl. motor veh. & parts).....	219,961	228,364	202,581	317,118	305,908	303,070	3.7	1.6	4.6	1.44	1.34	1.50
441	Motor vehicle & parts dealers.....	80,159	83,024	75,126	153,525	155,021	137,227	-1.0	-2.0	11.9	1.92	1.87	1.83
442,3	Furniture,home furn., elect. & appl. stores...	16,430	17,321	15,684	28,373	27,554	26,601	3.0	1.3	6.7	1.73	1.59	1.70
444	Building materials, garden equip & supplies...	31,703	32,357	28,039	51,788	51,597	45,678	0.4	0.1	13.4	1.63	1.59	1.63
445	Food & beverage stores.....	43,601	43,966	41,093	35,370	34,822	34,937	1.6	-0.1	1.2	0.81	0.79	0.85
448	Clothing & clothing access. stores.....	14,187	15,531	13,544	40,128	38,485	39,839	4.3	3.4	0.7	2.83	2.48	2.94
452	General merchandise stores.....	38,230	40,871	35,454	73,491	68,086	70,710	7.9	2.9	3.9	1.92	1.67	1.99
4521	Dept. strs. (excl. leased depts.).....	15,918	17,093	15,619	39,310	36,408	40,400	8.0	3.3	-2.7	2.47	2.13	2.59

(p) Preliminary (r) Revised (s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

<sup>1</sup> Inventories are on a non-LIFO basis as of the end of the month.

<sup>2</sup> Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

<sup>3</sup> Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is  $\pm 1.2$  percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.